



6311 08/27/06

\$1,750.00 ✓

OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of )

No. D06-165

QUANTA INDEMNITY )  
COMPANY, )

REVISED  
CONSENT ORDER  
IMPOSING A FINE

An Authorized Insurer )

Findings of Fact:

1. Quanta Indemnity Company ("Quanta") is authorized to conduct insurance business in Washington State. It issues property and casualty insurance.
2. Revised Code of Washington § 48.05.250 requires every insurer to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner ("OIC") by February 28 of the following year. WAC 284-07-060 requires that a Statement of Actuarial Opinion accompany the Annual Statement.
3. The April Supplemental filing is a required annual statement supplement per the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner ("OIC") also posts Annual Statement Filing Instructions on its website that indicate that this filing is due by April 1 of the following calendar year. WAC 284-07-050 requires adherence to these filing instructions.
4. WAC 284-07-120 requires that insurers submit to the OIC an annual audited financial statement for the previous calendar year on or before June 1 of the following year.
5. Quanta filed its calendar year 2004 Annual Statement on August 23, 2005. Its Statement of Actuarial Opinion was filed on August 30, 2005. Quanta's April supplemental filing was completed on April 13, 2005. Quanta's Audited Financial Statement was filed with the OIC on July 7, 2005.

Conclusions of Law:

1. Quanta's failure to timely file its calendar year 2004 Annual Statement with accompanying Statement of Actuarial Opinion, 2004 April Supplemental filing, and 2004

Audited Financial Statement constitutes two violations of RCW 48.05.250(1), one violation of WAC 284-07-060, and one violation of WAC 284-07-120.

2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Quanta consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Quanta consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, Quanta will pay to the Insurance Commissioner a fine in the amount of \$1,750 (one thousand seven hundred fifty dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Quanta in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 15 day of August, 2006.

QUANTA INDEMNITY COMPANY

By: John Carr

Printed Name: John Carr

Printed Corporate Title: VP

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

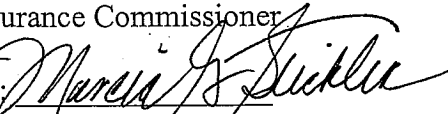
1. Quanta Indemnity Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,750 (one thousand seven hundred fifty dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 5<sup>th</sup> day of September, 2006

MIKE KREIDLER  
Insurance Commissioner

By:

  
Marcia G. Stickler  
Legal Affairs Division